



Douglas County Internal Audit

April 13, 2017

Douglas County Board of Commissioners
1819 Farnam Street, Suite LC2
Omaha, NE 68183

Attention: Mary Ann Borgeson, Mike Boyle, Jim Cavanaugh, Clare Duda, Marc Kraft,
PJ Morgan, and Chris Rodgers

Tom Doyle, Douglas County Engineer
15505 West Maple Road
Omaha, NE 68116

Dear Commissioners and Mr. Doyle:

I have completed a performance audit of the County Engineer's safeguarding of Construction and Maintenance assets. The purpose of the audit was to assess the adequacy and effectiveness of the controls in place to safeguard tools, machinery, equipment, and maintenance items. The audit did not produce any reportable findings. A response to this report is not required. A separate memo was provided to the Engineer's Office listing findings of lesser significance.

Background

The Engineer's Office annual expenditure for maintenance supplies, tools, machinery, and equipment totals approximately \$470,000. A significant number of the items included in this amount can be described as attractive or "walk away" items because they are portable and adaptable to personal use. Due to this fact, there needs to be effective policies and controls designed to protect these attractive items which were the focus of the audit.

Objective

The objectives of the audit were to determine if:

- The Engineer's Office had procedures in place to track its attractive items.
- There was a policy in place to identify which items should be tracked and protected.
- Controls were in place to deter the theft of attractive items.
- Employees were held accountable for items issued to them.

Scope

The scope of the audit covered the policies and procedures in place as April 1, 2017 and an examination of the items purchased from 4/1/2016 through 3/31/17.

Methodology

IA assessed the policy and procedures used to safeguard and track the tools and equipment used by the Construction and Maintenance and Sign Shop employees. Internal Audit interviewed the employees responsible for ordering, safeguarding, maintaining and tracking the items used in the departments. The policies and procedures used were assessed for adequacy to determine if the objectives identified above were being met. Internal Audit also identified forty-five newly purchased items to see if the items could be traced to specific employees and locations and to see if the identified procedures were being followed.

Findings

There were no reportable issues identified.

Audit Standards

Internal Audit conducted this audit in accordance with Generally Accepted Government Auditing Standards and the International Standards for the Professional Practice of Internal Auditing. Those standards require that the audit is planned and performed to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objectives. Internal Audit believes that the evidence obtained provides a reasonable basis for its findings and conclusions based on the audit objectives.

Internal Audit appreciates the cooperation provided by the Engineer's Office and staff. If you have any questions or wish to discuss the information presented in this report, please feel free to contact me at (402) 444-4327.

Sincerely,

Mike Dwornicki
Internal Audit Director

cc: Mark Rhine
Jude Lui
Richard File
Lenny Swanger
Tom McDonald
Dan Esch
Sheri Larsen

Patrick Bloomingdale
Diane Carlson
Joe Lorenz